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Financing of the United Nations Interim Administration Mission in Kosovo

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Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 1 July 2000 to 30 June 2001 (A/54/807). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided the Committee with additional information and clarifications. The report of the Secretary-General was submitted to the Committee in the form of an advance text in one language only (English), just a few days before the end of the Committee's session.

2. UNMIK was established by the Security Council in resolution 1244 (1999) of 10 June 1999 for an initial period of 12 months, to continue thereafter unless the Security Council decided otherwise. The General Assembly, by its resolution 54/245 of 23 December 1999, decided to appropriate the amount of $427,061,800 gross ($410,091,700 net) for the establishment and maintenance of UNMIK for the period from 10 June 1999 to 30 June 2000, inclusive of the amount of $200 million authorized by the General Assembly in its resolution 53/241 of 28 July 1999.

3. The Advisory Committee was informed that of the total amount of the assessment of $415.2 million for the period from 10 June 1999 to 30 June 2000, an amount of $189.6 million had been received as at 21 March 2000, leaving an outstanding balance of contributions of $225.6 million. The updated financial situation of UNMIK is as follows:

(a) Cash position (as at 21 March 2000) — $90.5 million;

(b) Expenditures (as at 31 December 1999, including unliquidated obligations of $64.0 million) — $128.2 million.

4. The estimated requirements of UNMIK for the period from 1 July 2000 to 30 June 2001 amount to $461,380,600 gross ($434,981,000 net) and provide for a total strength of 9,754 personnel, including 38 military liaison officers, 4,718 civilian police, 1,207 international staff, 3,578 local staff, 10 National Officers and 203 United Nations Volunteers (in addition, 500 United Nations Volunteers would be required for three months, from July to September 2000). The proposed budget represents an 8.0 per cent increase ($34,318,800) in total resources (gross) in relation to the apportionment for the financial period ending 30 June 2000. The proposed staffing structure of the Mission reflects a net increase of 353 posts, including 59 posts in the category of international staff

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nd 296 posts in the category of local staff, offset lightly by a decrease of 2 posts of National Officers.

5. In section I, Overview, of the proposed budget for JNMIK (see A/54/807), table 1 in paragraph 2 provides a comparison between the estimated requirements for the coming financial period and the apportionment for the period ending 30 June 2000, by major category of expenditure. As indicated in the table, the estimated requirements reflect a 208.6 per cent increase in military personnel costs, a 52.1 per cent increase in civilian personnel costs, a 55.6 per cent increase in staff assessment, a 48.8 per cent decrease in operational requirements and a 62.9 per cent decrease in other programmes.

6. The Advisory Committee was informed that the incumbency situation of UNMIK was as follows as at 29 February 2000:

	Authorized	*Encumbered*	*Vacancy rate (percentage)*
Military liaison officers	38	37	2.6
Civilian police	4 718	2 360	49.9
International staff	1 148	745	35.1
Local staff	3 282	2 631	19.8
National Officers	12	-	100.0
United Nations Volunteers	203	203	0.0

7. The political mandate of the Mission is outlined in section II of the proposed budget for UNMIK; section III thereof deals with the operational plan and requirements (see A/54/807). The Advisory Committee notes from paragraph 6 of the report of the Secretary-General that "UNHCR will phase out its operations by mid-2000 as the need for a prolonged, large-scale humanitarian role in Kosovo after the winter is not foreseen".

8. The Committee recalls its statement in paragraph 56 of its last report on UNMIK (A/54/622) that it:

> "understands that preparations for the UNMIK budget for the period from 1 July 2000 to 30 June 2001 will be under way almost as soon as the current submission is approved by the General Assembly in order for it to be available for the Committee's winter session. Under the circumstances, the preparation of that budget will also suffer from a lack of operational experience. In this connection, the Committee draws attention to what is stated in paragraph 21 above and to the provisions of General Assembly resolution 49/233 A of 23 December 1994."

During the Advisory Committee's consideration of the proposed UNMIK budget for 2000-2001, representatives of the Secretary-General informed the Committee that the situation in the mission area was still in a state of rapid and significant change and that that had an impact on the structure and requirements of UNMIK.

9. **The Advisory Committee recommends that requirements for UNMIK be re-examined in September 2000.**

10. **Taking into account the need for additional funding prior to the review of proposals for UNMIK in early autumn of 2000, the Advisory Committee recommends that the General Assembly authorize commitment with assessment of $220 million gross to allow UNMIK to continue its activities through 31 December 2000. The Committee also recommends, however, that this funding be granted without prejudice to recommendations that the Committee might make to the Assembly in the autumn of 2000 and the decisions that the Assembly might take thereon with regard to the budgetary and administrative matters, including posts, concerning UNMIK. In this connection and in order to avoid disruption, in the conduct of UNMIK operations, the Committee recommends that there be authority to enter into contractual arrangements for staff for up to one year. The Committee points out that, should it be necessary, staff employed against posts which are eventually not approved can be accommodated against vacancies until the expiry of their contracts.**

11. **Although it should be borne in mind that the staffing table has not yet been approved, the Advisory Committee recommends further that the Secretary-General be allowed to proceed with the redeployment of posts among the various offices of the Mission. Moreover, in recruiting staff (for periods of up to one year) the Committee is of the opinion that priority should be given to the selection of additional language assistants commensurate with the deployment of civilian police.**